

Regular Session, 2014

SENATE BILL NO. 464

BY SENATOR ADLEY

UTILITIES. Requires approval from the Louisiana Public Service Commission to shut off a natural gas pipeline. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 45:302(C), relative to the Louisiana Public Service Commission;
3 to require approval from the Louisiana Public Service Commission to disconnect or
4 shut off the supply of natural gas by pipelines to a local distribution system; and to
5 provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 45:302(C) is hereby amended and reenacted to read as follows:

8 §302. Powers of the commission; scope

9 * * *

10 C. Notwithstanding any other provision of law to the contrary, the supply of
11 natural gas by pipelines to a local distribution system shall not be disconnected or
12 shut off unless the local distribution system is given at least ninety days written
13 notice of such disconnect or shut off, ~~and~~ at least one public hearing is held by the
14 Louisiana Public Service Commission prior to such disconnect or ~~shutoff~~ **shut off,**
15 **and such disconnect or shut off is approved by order of the Louisiana Public**
16 **Service Commission prior to such disconnect or shut off;** however, this ninety day
17 notice may be extended by an order of the Louisiana Public Service Commission.

1 The Louisiana Public Service Commission shall promulgate rules and regulations in
 2 order to implement the provisions of this Section. Such rules and regulations shall
 3 consider whether or not the local distribution system has agreed to shut off the
 4 pipeline for a specific period of time; the length of time required to obtain public
 5 financing; time constraints necessary to construct necessary facilities; time
 6 constraints and requirements of the State Bond Commission; time constraints and
 7 requirements of the Federal Energy Regulatory Commission; whether or not the local
 8 distribution system is captive to one pipeline; whether the local distribution system
 9 has access to other pipelines; operational issues regarding the local distribution
 10 system; and the local distribution system's pressure requirements.

11 Section 2. This Act shall become effective upon signature by the governor or, if not
 12 signed by the governor, upon expiration of the time for bills to become law without signature
 13 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 14 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 15 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Sharon F. Lyles.

DIGEST

Adley (SB 464)

Present law prohibits the disconnect or shut off of the supply of natural gas by pipeline to a local distribution system, unless the local distribution system is given at least 90 days written notice of such disconnect or shut off, and at least one public hearing is held by the Louisiana Public Service Commission (PSC) prior to such disconnect or shut off. Authorizes the PSC to extend this 90 day period.

Present law requires the PSC to promulgate rules and regulations to implement its provisions. Requires that such rules consider certain factors including whether or not the local distribution system has agreed to shut off the pipeline for a specified time period; the length of time required to obtain public financing; time constraints necessary to construct necessary facilities; the time constraints and requirements of the State Bond Commission; time constraints and requirements of the Federal Energy Regulatory Commission; whether or not the local distribution system is captive to one pipeline; whether the local distribution system has access to other pipelines; operational issues regarding the local distribution system; and the local distribution system's pressure requirements.

Proposed law requires approval by order of the PSC prior to disconnect or shut off of a natural gas pipeline.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 45:302(C))